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SENSITIVE SIPDIS

STATE PASS TO EEB/TPP/IPE URBAN, BOGER, WALLACE, WATTS, LEBLANC PASS TO USTR SANFORD, GROVES, MCCOY, YANG, WILSON, PETERS PASS TO DEPT OF COMMERCE ISRAEL, PAUGH, R MCLAUGHLIN

E.O. 12958: N/A

TAGS: KIPR ECON ETRD PGOV IT

SUBJECT: ITALY AND 301: SIGNIFICANT EFFORTS, BUT NO ACTION PLAN YET

REF: A. SECSTATE 158938

¶B. ROME 1697

1C. ROME 1217

1D. ROME 290

(SBU) 1. SUMMARY: In response to USG's 2007 Special 301 Initiative, Government of Italy (GOI) officials have taken some positive steps to address Intellectual Property Rights (IPR) protection in Italy. Positive signs include senior-level GOI public statements on the importance of IPR protection, concrete efforts to energize the Italian judiciary, and a start at collecting quantifiable IPR enforcement data. However, the GOI has not yet articulated a comprehensive IPR protection action plan. Post will continue positive engagement with GOI and continue to push for a coherent action plan. END SUMMARY.

ITALIAN ACTIONS

HEIGHTENED ENGAGEMENT

- (U) 2. The GOI's most senior IPR officials have increased contact with Post and USG visitors to Italy to productively discuss IPR issues. All have been involved in USG IPR initiatives this year, such as Post's 2007 Judicial Trainer IPR Sensitization conference (to be discussed SEPTEL). Mauro Masi, Italy's IPR Delegate to International Institutions and de facto IPR czar, and Fabrizio Mazza, MFA's IPR Chief, plan to meet with USG IPR-related officials in Washington in December. Giovanni Kessler, Italy's High Commissioner of the Office for the Fight Against Counterfeiting (ACHC), is scheduled to visit the U.S. on a Voluntary Visitor program in early 2008.
- (U) 3. The GOI has shown interest in the Anti-Counterfeiting Trade Agreement (ACTA, refs B and D). The Association of Mayors of major Italian cities (ANCI) has implemented an anti-counterfeiting public awareness program at a local level. On December 3-4, ACHC hosted an international conference on IPR protection (to be discussed SEPTEL).

SENIOR GOI PUBLIC COMMENT ON IPR'S IMPORTANCE

(U) 4. Senior level GOI officials have publicly discussed IPR's importance to Italy. On May 31, Minister for Economic Development Bersani hosted Ambassador Spogli at Bersani's

ministry for a public discussion on IPR and Innovation (ref C). On October 24th, Foreign Minister and Deputy Prime Minister D'Alema hosted Ambassador Spogli and Justice Minister Mastella at MFA for a discussion on IPR protection in Italy (See Rome SIPRNet Daily Report, October 25, 2007). After Ministers D'Alema and Mastella and Ambassador Spogli spoke, senior representatives of all GOI agencies with IPR competency participated in a roundtable discussion on improving IPR protection in Italy. The Ministry for Economic Development's Director General for Economic Development and Competition, Andrea Bianchi, hosted U.S. and Italian patent, IPR, and tech transfer experts at a conference at the Ministry November 19-20 (to be discussed SEPTEL).

EFFORTS TO INCREASE PUBLIC AWARENESS ON IPR

(U) 5. The Bersani and D'Alema events were covered in the mainstream press, with the D'Alema event getting extensive coverage on radio and television in addition to online and print. Masi indicates that the GOI is planning a series of public service announcements for all media (press, online, television, radio) throughout the Christmas holidays to enhance public awareness of the importance of IPR protection. Kessler has received significant press exposure by articulating the importance of IPR protection and the ACHC's plans to address it.

DATA COLLECTION

(U) 6. Masi has formally requested IPR data from all GOI agencies involved in IPR enforcement (law enforcement and judiciary branches in particular).

JUDICIAL OUTREACH

- (U) 7. The Italian Consiglio Superiore della Magistratura (CSM--the Magistracy's senior self-governing body), a notoriously independent body, granted Post permission to invite their judicial trainers to attend Post's judicial conference mentioned above. As a result, the equivalent of the attorneys general for the Rome and Milan judicial regions have sent letters to their prosecutorial and judicial colleagues in their regions asking them to pay close attention to IPR cases that prosecutors and judges may receive.
- (U) 8. The Italian Parliament is currently considering legislation consisting of a package of public security-related proposals (the Pachetto). It would address IPR issues in part by raising administrative and criminal penalties against counterfeiters (See Rome SIPRNet Daily Report, October 10, 2007).

PRIVATE INDUSTRY OUTREACH

(U) 9. ACHC has convened an advisory panel of IPR industry representatives. The GOI has invited representatives of IPR industry associations to all of its public IPR events held this year.

ONLINE PIRACY EFFORTS

(U) 10. The Italian Communications Police, the law enforcement agency with online enforcement capacity in Italy, participated in the D'Alema roundtable and outlined its plans to address online piracy. Recently, a Milan court issued an unprecedented 12 million Euro fine in an illegal internet downloading case (see Rome SIPRNet Daily Report, November 21, 2007).

WHAT NEEDS TO BE DONE?

STILL NO ACTION PLAN

(SBU) 11. The GOI still has not shown us a coherent, comprehensive IPR protection action plan that coordinates and puts into context their IPR protection activities, and that identifies a vision for the GOI's IPR protection goals. The absence of this plan suggests that the GOI's commitment to IPR may not be well thought-out or long-term in nature. Further, initiatives like the Pachetto, the ANCI public awareness program, and ACHC's December 3-4 conference largely focus on counterfeiting, and do not place much emphasis on addressing copyright piracy.

ADDRESS ONLINE AND LEGISLATIVE CONCERNS

(SBU) 12. Local IPR industry representatives report no discernible change in the IPR protection environment here, but they do admit to a growing fear of possible GOI legislation and/or rulings that may weaken IPR in Italy. Industry is concerned that new Italian data privacy laws may restrict Internet Service Providers' (ISPs) ability to disclose the identities of potential online pirates due to individual privacy considerations. While not strictly a piracy or counterfeiting problem, pharmaceutical industry representatives worry that the GOI pharmaceutical authority may approve generic drugs before patents on brand name medicines expire. The GOI has not articulated notice and takedown procedures for online pirate websites.

COMMENT

(SBU) 13. Post will continue to push the GOI to prepare the needed comprehensive IPR action plan, and for more robust enforcement of Italian IPR law. END COMMENT. SPOGLI